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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/849,495	05/04/2001	Denis Khoo	6000-005-52	8842

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EXAMINER

LE, KHANH H

ART UNIT PAPER NUMBER

3622

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	04/05/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary

Application No.

09/849,495

Applicant(s)

KHOO ET AL.

Examiner

Khanh H. Le

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 23 January 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 28-32, 34-47 and 50-66 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 28-32, 34-47 and 50-66 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|----------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>01/23/2007</u> . | 6) <input type="checkbox"/> Other: _____ |

Detailed Action

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on January 23, 2007 has been entered.
2. Claims 28-32, 34-47 and 50-66 are pending in the current application. Claims 64-66 are new. Claims 28, 40, and 45 are independent.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. **Claims 28-32, 34-47 and 50-66 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.**
5. At independent claim 28, line 12, and similarly in claims 40 and 45, "supply of and demand for each user depending on demographics of the user" is indefinite. The phrase "supply of and demand for each user" makes no sense. The phrase "supply and demand" is well known for its reference to two sides of a market, not to an individual (Samuelson and Nordhaus, "Economics", 12th ed.).
6. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

7. **Claims 28-32, 34-47 and 50-66 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement.** The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.
8. As has been noted (para. 4-5 above), the claimed limitation, "supply of and demand for each user depending on demographics of the user" is indefinite because it is not consistent with the well-known meaning of "supply and demand" (Samuelson and Nordhaus, "Economics", 12th ed.). To comply with the written description requirement, the applicant must either demonstrate that he understood this conventional meaning at the time of the invention, or must have re-defined the conventional terms with a new "clear definition" (MPEP § 2111.01). The instant application does neither. The only support for the claimed limitation (specification page 12, line 22 to page 13, line 2) merely re-iterates the claimed limitation.
9. **These rejections under 35 USC 112 can be overcome by amending claim 28, line 12, and similarly amending claims 40 and 45, as follows: "~~supply of and demand for each user depending on~~ demographics of the user".**

Response to Arguments

10. Concerning the rejections under 35 USC 112, applicant argues,

"The phrase 'compensation based on the supply and demand per user depending on demographics of the user' is clear and simply means that the compensation the user pays is based on the supply and demand of the users, depending on the demographics of the users." (Page 11, beginning of middle para.)

Applicant merely re-iterates the claimed limitation without adding clarification. The problem is that the claimed limitation and its support in the spec. are not consistent with the well-known meaning of "supply and demand", which describes two sides of a market (Samuelson and Nordhaus, "Economics", 12th ed.). "supply and demand of the users" makes no sense in view of the prior art.

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11. Applicant's other arguments are moot in view of the new ground(s) of rejection.

Claim Rejections - 35 USC § 102

12. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

13. Claims 28-32, 34-47 and 50-66 are rejected under 35 U.S.C. 102(b) as being anticipated by Logan US 5,721,827.

As to independent claims 28, 40, 45, Logan discloses:

A method, system, computer readable medium, and software for and comprising:

offering to provide content including at least one program over a data network from a content provider to a user (abstract, Fig. 2, col. 1 lines 39-47: *in Logan, an offer to provide content with an option of viewing with ads or no ads occurs at Logan during the user initialization stage. The Logan form for the user to fill constitutes an offer to provide such content with or without ads to defray the costs of the content. In response, the user indicates the content desired as well as the amount of advertising desired, including no ads at all*) (col. 8 line 42 to col. 9 line 11). *Following such indication by the user, the content provider provides the content with or without ads as indicated by the user (i.e. "the content is not provided until the user makes the election" regarding the ads);*

prompting the user proximate to the beginning of each program, on a program-by-program basis, to choose an option of whether or not the user wishes to view advertising with that program

(implicitly, if the Logan user chooses no ads at all (i.e. a first option) at the initiation step, then no ads are sent with the content and he/she pays the full price of the content. On the other hand if he/she elects to view ads, at the initiation stage, then the content is sent with the ads after the user's election of the option of ads or no ads, as claimed.

(Logan discloses an option of editing the mix of content and ads sent during playback. However this also implies the option of not editing by the user, in which case the user receives

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the content with or without ads exactly as sent by the provider after the user chose in the initiation or offer phase, as claimed.)

Further, the Logan process, (when the user chooses only one program), can be repeated, if the user so desires (as when the user has not used the system for a while and needs to repeat the process), re-starting at the offer form filling-out step, which in effect becomes "prompting the user proximate to the beginning of each program, on a program-by-program basis, to choose an option of whether or not the user wishes to view advertising with that program". Here Logan reads on the "prompting for ads or no ads at the beginning of each program, on a program-by-program basis", because the operation of the Logan system is not modified thereby in the scenario as above-explained);

providing each program to the user, based on the received option (abstract, Fig. 2, col. 1 lines 39-47); and

if the user elects to view advertising with the program receiving no choice compensation from the user

(once the Logan viewer makes the choice, the resulting fee due for the program is interpreted as the "choice compensation"; the Logan user is given a choice to add ads in such amount while listening to the programs to the point of making the programs completely free (col. 9 lines 5-11; col. 21 lines 40-50: "charge level value of zero..for minimum charge" suggests free programming, since a minimum charge can be zero).

As to" if the user elects to not view advertising with the program, receiving a choice compensation ..etc.." this limitation is ignored as an OPTIONAL or ALTERNATIVE limitation. Since the two "if" limitations are mutually exclusive, they both cannot limit the claim. MPEP 2111.04 and 2173.05(h)II. In this case, Logan teaches the first alternative (if the user elects to view advertising ...).

Logan also discloses:
(claims 29, 41, 55, 64-66) at the above citations;

(claims 30, 44, 58), the data network comprises a content module (see at least Fig 4 items 315 "content providers" table, 303 "programs" table, and associated text);

(claims 31, 50, 61) the data network comprises a content display device including a computer (see at least Fig 1 item 118 and associated text);

(claim 32, 51, 62): the user can elect advertising other than advertising that interrupts the program (see at least abstract: Logan ads are at end or beginning of program so does not interrupt the program);

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(claims 35, 52, 63):the viewer/user transmits the option over the data network to the content provider (abstract, col. 8 line 42 to col. 9 line 11; 4th sentence from last; col 4 l. 2-8; col 26 l. 53-59);

(claims 36, 46, 53):the choice compensation is a fee, payable to the content provider, by the viewer/user, wherein the fee is determined on the basis of the content offered (abstract : "subscriber fee"; col 26 l. 53-col 27 l. 8;col 17, col 27 l. 2-30);

(claims 37, and 59-60): an option comprising a choice to the viewer/user of selecting the content together with an advertisement embedded (added, inserted) therein for reduced fees (col 27 l. 3-6, Fig. 5 and associated text; col 9 l. 50 – col 10 l. 6);

(claims 38, 47, 54) the option is offered to a viewer/user comprising an individual viewer/user (abstract: "subscriber");

(claims 42, 34, 56): visual content including video (col. 39 lines 25-33);

(claims 43, 39, 57): audio content (col. 39 lines 25-33).

Conclusion

Prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Herz et al., US 6571279 discloses price of an ad is based on the supply and demand of the user receiving the ad.

Goino, US 7110961 discloses price of advertisement is based on content associated with the advertisement.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Khanh H. Le whose telephone number is 571-272-6721. The Examiner works a part-time schedule and can normally be reached on Tuesday-Wednesday 9:00-6:00.

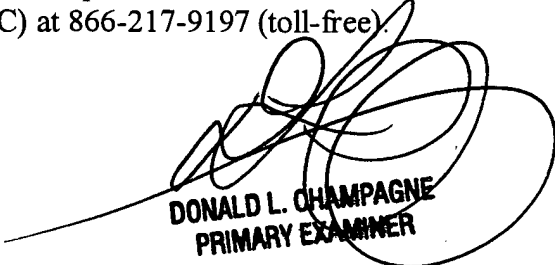
If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Eric Stamber can be reached on 571-272-6724. The fax phone numbers for the organization where this application or proceeding is assigned are 571-273-8300 for regular communications and for After Final communications. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 571-272-3600. For patent related correspondence, hand carry deliveries must be made to the Customer Service Window (now located at the Randolph Building, 401 Dulany Street, Alexandria, VA 22314).

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

March 24, 2007

KHL



DONALD L. CHAMPAGNE
PRIMARY EXAMINER